

**AGING STUDY COMMISSION**  
**BUDGET ACTIONS FY 2007-2009: SESSION LAW 2007-323, HOUSE BILL 1473**

<b>SIGNIFICANT LEGISLATIVE BUDGET ACTIONS</b>
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**DIVISION OF AGING AND ADULT SERVICES**

**Pilot for Adult Care Home Quality Improvement**

- Additional \$264,000 in nonrecurring funds in each year of the FY 2007-09 biennium;
- To improve independence, dignity, and choice for residents in 4 counties: Alamance, Buncombe, Nash, and Rutherford.

**Area Agencies on Aging**

- Additional \$300,000 in recurring funds for the FY 2007-09 biennium;
- Distributed to the 17 Area Agencies on Aging for services and planning activities statewide.

**Senior Center General Purpose Fund**

- Additional \$200,000 in nonrecurring funds in FY 2007-08;
- To provide additional funding for senior centers.

**Home and Community Care Block Grant**

- Additional \$536,000 in recurring funds in each year of the FY 2007-09 biennium;
- To develop and enhance community-based services and protections for older adults.

**OFFICE OF THE SECRETARY**

**NC Rx Program**

- Additional \$250,000 in nonrecurring funds in FY 2007-08;
- For the Seniors Health Insurance Information Program to assist seniors enrolling in NC Rx and Medicare Part D.

**DIVISION OF HEALTH SERVICE REGULATION**

**Regulatory and Complaint Staff**

- Additional \$261,665 in recurring funds FY 2007-08 and \$288,887 in recurring funds in FY 2008-09;
- To increase staff and oversight in acute health care facilities' regulation and complaint investigations.

**Health Care Personnel Registry and Rating System for Adult Care Homes**

- Additional \$583,000 in recurring funds and \$40,274 in nonrecurring funds in FY 2007-08 and \$805,750 in recurring funds in FY 2008-09;
- 14 positions and costs to expand the Health Care Personnel Registry to include all unlicensed staff of a health care facility who have direct access to residents, clients, or their property;
- To implement a Rating System for adult care homes.

**Technical Assistance for Adult Care Homes**

- Additional \$500,000 in nonrecurring funds for FY 2008-09;
- For technical assistance to assist adult care homes with implementation of the adult care home rating program.

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<b>SIGNIFICANT SPECIAL PROVISIONS</b>
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**DIVISION OF AGING AND ADULT SERVICES**

**Section 10.11 SENIOR CENTER OUTREACH**

- Directs the Division to use funds appropriated to:
  - Expand outreach capacity of senior centers to reach unserved or underserved areas and provide start-up funds for new senior centers;
  - Requires county commissioners in counties receiving start-up funds for a new center to endorse the need and commit local funds to support operations.

**Section 10.12 QUALITY IMPROVEMENT CONSULTATION PROGRAM FOR ADULT CARE HOMES**

- Directs the Division to develop and conduct a pilot quality improvement consultation program for adult care homes to promote better care and improve quality of life for residents of adult care homes.

**Section 10.13 STATE-COUNTY SPECIAL ASSISTANCE**

Effective October 1, 2007:

- Increases the maximum monthly rate for residents in adult care facilities from \$1,148 per month to \$1,173 per month;
- Continues the separate maximum monthly rate for residents of special care units at \$1,515 per month;
- Allows adjustments to the Special Assistance rate in order to shift some costs to the Medicaid Program. The provision also allows a limited income disregard (subject to federal approval) for individuals whose countable income would exceed the Special Assistance rate once costs are shifted to Medicaid.

**Section 10.14 SPECIAL ASSISTANCE IN-HOME**

- Codifies authorization language for the Special Assistance In-Home Program;
- Allows up to 15% of the total caseload for the Special Assistance Program to be allocated to the Special Assistance In-Home Program;
- Sets the maximum monthly payment for in-home assistance at 75% of the rate paid for individuals living in an adult care home.

**DIVISION OF MEDICAL ASSISTANCE**

**Section 10.39A SKILLED NURSING FACILITY REIMBURSEMENT RATE**

- Directs the Division of Medical Assistance to rebase the rates for the case-mix reimbursement system for skilled nursing facilities:
  - Effective January 1, 2008, one-half of the rate rebasing shall be implemented using 2005 audited cost data;
  - Effective October 1, 2008, the remaining half of the rate rebasing shall be implemented using 2006 audited cost data.
- Requires that inflationary increases for skilled nursing facilities for the 2007-2009 biennium include the rebasing of rates for the case-mix reimbursement system.
- Increases the provider assessment fee by \$2.00 over the biennium to reduce State appropriations needed to rebase the rates.

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**Section 10.40F PILOT PROGRAM/MEDICAID DUAL ELIGIBLES SPECIAL NEEDS PLAN**

- Directs DHHS to evaluate and establish a pilot program in at least two regions of the State;
- Pilot to offer nursing facility certifiable, dual-eligible Medicaid recipients services through a Special Needs Plan (SNP) that will work with the Community Care of North Carolina Program (CCNC).

**Section 10.46 CONTINUE EFFORTS TO EXPAND COMMUNITY CARE OF NORTH CAROLINA AND IMPROVE QUALITY OF CARE FOR AGED, BLIND, AND DISABLED MEDICAID RECIPIENTS**

- Directs DHHS to continue to expand the Community Care of North Carolina (CCNC) care management model to Medicare and Medicaid dually eligible persons, focusing on aged, blind, and disabled persons;
- Will manage access and utilization of:
  - personal care services,
  - private duty nursing,
  - home health,
  - durable medical equipment,
  - specialty care,
  - residential services,
  - home infusion therapy,
  - pharmacy, etc.